Canada also sought to mitigate the discriminatory aspects of the non-proliferation system through measures to curb the strategic-arms race and to end nuclear-weapon tests by the two major nuclear powers.

International co-operation

The possibility of an interdependent world order rests on collective action that effectively meets changing needs and concerns. In an age when technology is rapidly making the world smaller and at the same time more complex, the United Nations, despite its shortcomings and handicaps, continues to offer the best hope for world co-operation. Within the United Nations framework, there exists the capacity for progressively developing a worldwide system of institutions and an international order with which all countries will be able to identify their interests. It is Canadian policy to work to strengthen the responsiveness and effectiveness of the United Nations as an instrument for international action. Canada's election to a Security Council seat for 1977-78 - its fourth two-year term since the foundation of the world body — will increase its opportunities to play a constructive role over the next two years.

The progressive development and acceptance of international law as a safeguard for peace and security and a basis for multilateral co-operation is a matter of high priority for Canada. One important area is the development of internationally-accepted guide-lines setting out national rights and obligations with respect to the natural environment. International co-operation is essential to the resolution of environmental problems and Canada is active in efforts to develop guide-lines and establish appropriate machinery within the United Nations to safeguard and manage the physical environment.

The United Nations Conference on the Law of the Sea held its fourth and fifth sessions in New York during 1976 in an effort to negotiate a comprehensive treaty to regulate the uses of the oceans. Although it achieved significant progress in some areas, the conference failed to reach general and final

agreement and will therefore meet again in New York in 1977.

Canada's situation as a northern coastal state — fronting on three oceans, with a wide continental shelf, potentially-large offshore natural resources and a fragile Arctic environment — leads it to attach great importance to agreement on the law of the sea. The depletion of fish stocks off Canada's coasts lends a special urgency to the situation. Accordingly, at the year's end, the Canadian Government assumed jurisdiction over fisheries within a 200-mile coastal zone after the conclusion of bilateral fishing agreements with major users of the fisheries. Other important Canadian objectives, such as international recognition of the special environmental problems of the Arctic, protection of the marine environment and the living resources of the sea, and regulations for the exploitation of offshore minerals will depend ultimately on the success of the resumed Law of the Sea Conference.

Canada and the West

Co-operation among the industrial democracies is, for Canada, a prerequisite for the promotion of world peace and prosperity and the advancement of freedom and justice. To these ends, the Canadian Government attaches particular importance to the development of positive and dynamic responses by the advanced industrial nations of the West to both the continuing and the emerging challenges that face them. During 1976 these nations further demonstrated their recognition of the imperatives of world interdependence and their determination to strive for and to shape a new international environment.

In a changing global environment, the maintenance of sound relations with the United States remains a cornerstone of Canadian foreign policy. The magnitude, diversity, complexity and unique nature of the bilateral relation inevitably makes it central to Canadian policy. Moreover the United States, as the world's major power, continues to have enormous influence over a wide range of international issues of interest and concern to Canada. Accordingly, a primary objective of